

Mentor Exploration and Development Co., Limited

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of the shareholders of Mentor Exploration and Development Co., Limited (the "Corporation") will be held in the Library Room, Main Mezzanine, Royal York Hotel, 100 Front Street West, Toronto, Ontario on Friday, the 26th day of June, 1981, at the hour of 11:30 o'clock in the forenoon (Toronto Time) for the following purposes:

- (1) To receive and consider the financial statements of the Corporation as at December 31, 1980, together with the report of the auditors thereon;
- (2) To elect directors;
- (3) To appoint auditors and to authorize the directors to fix their remuneration; and
- (4) To transact such further and other business as may properly come before the meeting or any adjournment or adjournments thereof.

A copy of the Annual Report of the Corporation containing the financial statements of the Corporation as at December 31, 1980 together with the report of the auditors thereon accompanies this notice.

DATED the 15th day of May, 1981.

By Order of the Board,

MIKEY DRUTZ,
Secretary-Treasurer.

NOTE: Shareholders who are unable to be present personally at the meeting are requested to complete, date and return, in the envelope provided for that purpose, the accompanying form of proxy for use at the meeting.

Mentor Exploration and Development Co., Limited

INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by the management of Mentor Exploration and Development Co., Limited (the "Corporation") of proxies to be voted at the annual meeting of the shareholders of the Corporation called for the purposes set forth in the accompanying Notice of Meeting and to be held in the Library Room, Main Mezzanine, Royal York Hotel, 100 Front Street West, Toronto, Ontario on June 26, 1981 at the hour of 11:30 o'clock in the forenoon (Toronto Time), and at any adjournment or adjournments thereof. Solicitation will be by mail, possibly supplemented by telephone or other personal contact by the directors of the Corporation. The cost of such solicitation will be borne by the Corporation.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of 5,000,000 shares without par value of which 3,455,746 shares are presently outstanding. Shareholders of record at the time of the meeting are entitled to one vote for each share held.

As of the date hereof, to the knowledge of the directors and senior officers of the Corporation, the only person or corporation which beneficially owns, directly or indirectly, equity shares of the Corporation carrying more than 10 per cent of the voting rights attached to all equity shares of the Corporation is Mr. Paul Penna who directly or indirectly beneficially owns 515,251 (15%) of the outstanding shares of the Corporation.

ELECTION OF DIRECTORS

It is proposed that the following persons will be nominated for election as directors of the Corporation to hold office for a term of 2 years from the date of their election or until the second annual meeting after such date, whichever later occurs. The following is information concerning the proposed nominees for election as directors. Information as to shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective directors individually. In the event that any vacancies occur in the proposed slate of nominees listed below prior to the annual meeting of shareholders, it is intended to exercise the discretionary authority conferred by the accompanying instrument of proxy to vote for the election of any other person or persons as directors. Management is not presently aware that any of such nominees would be unwilling to serve as a director if elected.

Name	Positions and offices presently held in the Corporation	Period in which nominee has served as director of the Corporation	Number of shares of the Corporation beneficially owned (directly and indirectly)	Present principal occupation
Philip T. Drutz	None	Since February 28, 1971	1	Diamond Setter
Irving Dobbs	None	Since September 24, 1971	—	President, Dobbs & Co. Insurance Limited
Albert Wasserman	None	Since September 24, 1971	—	President, Alshiff Investments Limited

Dobbs & Co. Insurance Limited carries on business as an insurance broker.

Alshiff Investments Limited is an investment company.

The following persons hold office as directors for a term of 2 years from June 27, 1980 or until the second annual meeting after such date, whichever later occurs. The following is information concerning such directors. Information as to the shares beneficially owned, not being within the knowledge of the Corporation has been furnished by the respective directors individually.

Name	Positions and offices presently held in the Corporation	Period in which individual has served as director of the Corporation	Number of shares of the Corporation beneficially owned (directly and indirectly)	Present principal occupation
Paul Penna	President	Since August 26, 1964	515,251 (1)	Executive, Jakmin Investments Limited, President and Managing Director, Agnico-Eagle Mines Limited

Name	Positions and offices presently held in the Corporation	Period in which individual has served as director of the Corporation	Number of shares of the Corporation beneficially owned (directly and indirectly)	Present principal occupation
Gordon W. Kirk, P. Eng.	None	Since June 23, 1972	1,500	Mine Manager, Agnico-Eagle Mines Limited, Silver Division
John R. Murray	None	Since March 31, 1977	—	Retired, Formerly Deputy Chief, Metropolitan Toronto Police

Jakmin Investments Limited is an investment company.

Agnico-Eagle Mines Limited is a mining company.

(1) Includes 165,100 shares owned by Jakmin Investments Limited and 340,150 shares (9.8% of the outstanding shares) owned by Temple Growth Fund Limited.

The Corporation does not, at present, have an executive committee of its board of directors. Pursuant to The Business Corporations Act (Ontario), the Corporation is required to have an audit committee. Messrs. Penna, Drutz and Murray are members of the audit committee.

DIRECTORS' AND OFFICERS' REMUNERATION

During the financial year of the Corporation ended December 31, 1980, the directors' and officers' remuneration from the Corporation was as shown below:

NATURE OF REMUNERATION			
	From office, employment and employer contributions (Aggregate)	Cost pension benefits (Aggregate)	Other (Aggregate)
(I) DIRECTORS (Total Number: 6)			Last Completed Financial Year
(A) From Corporation and wholly-owned subsidiaries:	\$1,100	NIL	NIL
(B) From partially-owned subsidiaries:	NIL	NIL	NIL
Donrand Mines Limited			
Destorbelle Mines Limited			
TOTAL	\$1,100	NIL	NIL
(II) FIVE SENIOR OFFICERS:			Last Completed Financial Year
(A) From Corporation and wholly-owned subsidiaries:	NIL	NIL	NIL
(B) From partially-owned subsidiaries:	NIL	NIL	NIL
Donrand Mines Limited			
Destorbelle Mines Limited			
TOTAL	NIL	NIL	NIL
(III) OFFICERS WITH REMUNERATION OVER \$50,000 (Total Number: NIL)			Last Completed Financial Year
(A) From Corporation and wholly-owned subsidiaries:	NIL	NIL	NIL
(B) From partially-owned subsidiaries:	NIL	NIL	NIL
Donrand Mines Limited			
Destorbelle Mines Limited			
TOTAL	NIL	NIL	NIL

APPOINTMENT OF AUDITORS

The persons named in the enclosed proxy intend to vote for the reappointment of Starkman, Kraft, Rothman, Berger & Grill, Chartered Accountants, as auditors of the Corporation to hold office until the next annual meeting of shareholders, unless the shareholder directs therein that his shares be withheld from voting in respect of the appointment of auditors.

MANAGEMENT CONTRACTS

Jakmin Investments Limited ("Jakmin"), Suite 300, 365 Bay Street, Toronto, Ontario provides head office, accounting and secretarial services to the Corporation at a fee of \$1,250 per month. For the financial year of the Corporation ended December 31, 1980 the fee for these services aggregated \$15,000. Mr. Paul Penna of 50 Godfrey's Lane, Mississauga, Ontario is a director, the President and the principal shareholder of Jakmin. Mikey Drutz of 16 Kirkland Boulevard, Toronto, Ontario, the Secretary-Treasurer of the Corporation, is a director and the Secretary-Treasurer of Jakmin.

VOTING PROXIES

The persons named in the enclosed form of proxy are directors of the Corporation. IF, HOWEVER, A SHAREHOLDER DESIRES TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING OTHER THAN THOSE DESIGNATED IN THE FORM OF PROXY, HE MAY DO SO BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE OTHER NAMES OR MAY SUBMIT ANOTHER APPROPRIATE FORM OF PROXY.

The shares represented by the proxy will be voted and, where a choice with respect to any matter to be acted upon has been specified in the proxy, the shares will be voted in accordance with the specifications so made.

The form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the notice of meeting and other matters which may properly come before the meeting. The form of proxy affords the shareholder an opportunity to specify that the shares registered in his name (i) shall be voted or withheld from voting in respect of the election of directors and (ii) shall be voted or withheld from voting in respect of the appointment of auditors. Any such specification should be made by inserting in the proxy a cross before the words "To vote" or if the shareholder wishes the shares to be voted or before the words "To withhold from voting" if the shareholder wishes the shares to be withheld from voting.

REVOCATION OF PROXY

A shareholder who has given a proxy may revoke it at any time prior to its use either (a) by signing a proxy bearing a later date, or (b) following the procedure set out in Section 116(4) of The Business Corporations Act (Ontario) by signing written notice of revocation and thereafter depositing same either at the head office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of such meeting on the day of the meeting, or adjournment thereof.

GENERAL INFORMATION

Information contained herein is given as of May 8, 1981. Management knows of no matters to come before the annual meeting of shareholders other than the matters set forth in the enclosed notice of the annual meeting. Receipt at such meeting of the financial statements of the Corporation as of December 31, 1980 and the report of the auditors thereon will not constitute approval of such financial statements and report. If any matters which are not now known should properly come before the annual meeting, the proxy instrument will be voted on such matters in accordance with the best judgment of the person voting it.

By Order of the Board of Directors,

MIKEY DRUTZ,
Secretary-Treasurer.

May 15, 1981.